

**STATE OF MICHIGAN
CERTIFICATE OF**

**GROUP
LIFE INSURANCE**

FOR STATE OF MICHIGAN EMPLOYEES AND RETIREES
Administered by the Michigan
Office of the State Employer



Revised March 1, 2001

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CERTIFICATE OF INSURANCE

**UNITED OF OMAHA
LIFE INSURANCE COMPANY**

Certifies that Group Master Policy Nos. GLG-5050 (Life) and GUG-J990 (Accidental Duty Death) have been issued to the

STATE OF MICHIGAN

You are eligible for insurance if you are in one of the categories of employees shown on page 3.

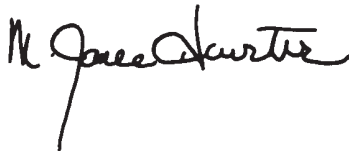
When you are eligible, you will be insured the first day you are actively at work.

Your insurance will end in accord with the "When Your Insurance Ends" provision on page 4.

UNITED OF OMAHA LIFE INSURANCE COMPANY

A handwritten signature in black ink, appearing to read "John H. Sturgeon".

President

A handwritten signature in black ink, appearing to read "M. James Hunter".

Secretary

This Certificate-Booklet takes the place of any Certificate previously issued by United.

GENERAL DEFINITIONS

BASIC ANNUAL SALARY: Your annual earnings from the State as of each October 1, exclusive of overtime, bonus, allowances or additional compensation.

BENEFICIARY: The person, persons or entity to receive the death benefit.

OFFICE OF THE STATE EMPLOYER: Administrator of the life insurance contract.

PAY STATUS: The period of time during which you receive your basic annual salary because you are actively employed or using accumulated leave time.

POLICY: Group Master Policy Nos. GLG-5050 and GUG-J990.

RIDER: A policy provision added to the policy to expand or limit your benefits or coverage.

STATE: State of Michigan.

UNITED: Refers to United of Omaha Life Insurance Company, Mutual of Omaha Plaza, Omaha, NE 68175.

YOUR DEPENDENT: A person insured under the policy in accord with the dependent insurance provision of this Certificate-Booklet.

WE: United of Omaha Life Insurance Company.

YOUR INSURANCE - GENERAL PROVISIONS

CLASSES OF ELIGIBLE EMPLOYEES

You are eligible for coverage if you are one of the following:

1. Any active employee in the category of classified State service with an appointment of at least 720 hours duration, but excluding employees with non-career appointments and those working less than 40% of full time.
2. Any active official or active unclassified employee of the State who has been approved for coverage by the Office of the State Employer.

When Your Insurance Begins

Your insurance begins on the first day you are actively at work at your:

- (a) regular job; and
- (b) customary place of employment or other location to which you must travel to perform your regular job.

If you are not actively at work on the day your insurance would otherwise begin, your insurance will not begin until the day you return to active work.

3. Any retired employee or official who was insured under Group Policy Nos. GLG-5050 or GUG-J990 just prior to entry into a State Retirement System.
4. A Wayne County employee who:
 - (a) was a State Judicial Council employee on October 1, 1996 and whose employment was transferred to the Recorder's Court on October 1, 1996; and
 - (b) whose employer subsequently became the Wayne County Clerk's Office;

will be considered to be an eligible employee under this policy. Coverage under this policy shall terminate at such time as employment with the Wayne County Clerk's Office terminates, unless the employee retires, at which time the amount of coverage will be subject to the retiree reduction schedule. Coverage under this policy for employees of the Wayne County Clerk's Office as defined herein

shall be subject to all policy provisions including, but not limited to, submission of the appropriate premium.

CHANGE IN YOUR SALARY CLASS OR IN THE AMOUNT OF YOUR INSURANCE

If you become eligible for an increased amount of insurance because of a salary increase or a change in the State's Life Plan, your increase will take effect only if you are actively at work. If you are not, you will be eligible to receive the increased amount only when you return to active work.

WHEN YOUR INSURANCE ENDS

Your insurance under the policy will end at midnight on the earliest of:

- (a) the last day of the pay period in which you are no longer eligible;
- (b) the last day of the pay period in which you are no longer approved for coverage by the Office of the State Employer;
- (c) the day before you enter the Armed Forces on full-time active duty (except for active duty of two weeks or less);
- (d) the day the policy is discontinued;
- (e) the day you terminate pay status with the State; or
- (f) the day you enter deferred retirement.

Your pay status will be considered terminated if United is so notified by the Office of the State Employer or if the State stops submitting premium for you.

If a lapse in coverage occurs between the date you separate from employment and the date you begin receiving retirement benefits, you are not eligible to again be covered for life insurance, unless you return to State employment.

SELF-PAY DURING LAYOFF OR LEAVE

If your insurance ends because you are on a temporary layoff or authorized leave of absence, you may still continue to have life insurance coverage for up to 12 to 36 months depending on your bargaining unit if you agree to self-pay premiums in accordance with the State's direct billing system.

You will receive an application for continuation which must be completed and submitted within 60 days from the day you are no longer in pay status.

THE AMOUNT OF YOUR GROUP LIFE INSURANCE

United will pay the amount of your life insurance to your beneficiary upon receipt at our Home Office of proof that your death occurred while the policy was in force.

Your amount of life insurance as an ACTIVE employee or official will be:

- two times your annual salary to a maximum of \$200,000*

or if you select the **Reduced Benefit Plan**

- one times your annual salary to a maximum of \$50,000.

In all cases, the amount of coverage will be rounded up to the next higher multiple of \$1,000.

If you are covered under more than one plan of life insurance provided by the policyholder, your amount of coverage will only be that of the plan providing the highest amount of coverage.

If you are a part-time employee, your insurance will be determined by projecting your salary to an annual basis as though you were a full-time employee.

Your amount of life insurance as a RETIRED employee is 25% of your life insurance in force immediately prior to your retirement. This amount is rounded up to the next \$100, provided you retired after July 1, 1974.

*This life insurance limit may not be applicable to employees who are covered by certain collective bargaining agreements.

BENEFICIARY

Your beneficiary is named in the insurance forms you sign when you enroll for coverage under the policy.

If at the time of your death no named beneficiary survives you, your amount of life insurance will be paid to your spouse, if living; otherwise equally to your surviving natural born and adopted children; otherwise equally to your surviving parents; otherwise equally to your surviving brothers and sisters; otherwise to your estate.

BENEFICIARY CHANGE

Your beneficiary may be changed unless you previously selected an irrevocable designation. To change your beneficiary, contact your Personnel Office or Office of Retirement Services to complete a new Enrollment and Beneficiary Change Form.

**GROUP LIFE INSURANCE
FOR YOUR DEPENDENT**

United will pay you the amount of life insurance for your insured dependent immediately upon receipt at our Home Office of proof that the death occurred while the policy was in force.

	PLAN F	PLAN G
Spouse	\$1,500	\$5,000
Dependent Child		
Age 14 days to		
23rd birthday . . .	\$1,000	\$2,500
	PLAN H	PLAN K
Spouse	\$10,000	\$25,000
Dependent Child		
Age 14 days to		
23rd birthday . .	\$5,000	\$10,000
	PLAN L	RETIRED PLAN
	Children of active	Dependent of retired
	employees	employee
Spouse	None	\$1,000
Dependent Child		
Age 14 days to		
23rd birthday . . .	\$10,000	\$1,000

You are the beneficiary of your dependent's life insurance. If you are not living when an amount of life insurance is paid for a dependent, the proceeds will go instead to your spouse, if living; otherwise to your surviving children in equal shares; otherwise to the estate of the last survivor.

**YOUR CONTINUED EMPLOYEE LIFE INSURANCE COVERAGE
DURING
TOTAL DISABILITY**

If you become totally disabled for any reason prior to age 65, your life insurance will be continued while you remain in pay status. Thereafter, your active life insurance coverage will be continued at no cost if you are declared totally disabled by one of the following disability programs:

1. The State's Long Term Disability Plan;
2. Social Security Disability coverage;
3. Workers' Compensation Insurance; or
4. The State's Duty or Non-duty Disability Retirement Plan.

Your continued insurance is the amount in force on the day you became disabled. However, if you are totally disabled on your 65th birthday, you will be considered to be retired and your life insurance amount will be 25% of the coverage in force immediately prior to age 65.

If you become totally disabled as described above after age 65, your life insurance will continue at no cost to you at 25% of the coverage in force on the day you become disabled.

YOUR LIFE INSURANCE CONVERSION PRIVILEGE

- A. If your group life insurance ends because of separation from State service or because you enter a class which provides a lower benefit, you may apply for an individual policy of life insurance (called a conversion policy) without giving information about your health. You can obtain a conversion form from your Human Resources Office. Conversion is subject to the following conditions.
1. You may apply for any of United's individual life insurance policies, except term insurance. You may **NOT** apply for any disability or other supplementary benefits.
 2. You may apply for an amount which is not more than the amount of your terminated or reduced group life insurance.
 3. The premium for your conversion policy will be at United's standard rate for that type of policy, according to your age on the date the policy takes effect.
 4. You must submit your written application and your first conversion premium to United within 31 days after your group life insurance ends or reduces.
- B. If you have been insured at least three years and your group life insurance ends
- (1) because the policy is discontinued or
 - (2) because the class of employees to which you belong is no longer eligible for group life insurance,

You may apply within 31 days for an individual policy of life insurance without giving information about your health. Conversion is subject to conditions 1, 3 and 4 above. Your converted life insurance may not exceed the lesser of:

- (a) \$3,000 or
 - (b) the amount of your terminated life insurance under the policy less the amount of any other group life insurance for which you become eligible within 31 days.
- C. If you die within the period you could have applied for a conversion policy, United will pay the amount of group life insurance you were entitled to convert.
- D. If a conversion policy has been issued to you, payment will be made at your death under your Continued Employee Life Insurance Coverage During Total Disability provision only if the conversion policy is surrendered without claim other than for the return of the conversion premiums you paid.

ACCIDENTAL DUTY DEATH BENEFITS

(Policy No. GUG-J990)

If an insured person suffers loss of life due to injuries, United will pay the Accidental Duty Death Benefit of \$100,000 (in addition to your basic amount of group life insurance under policy No. GLG-5050). Loss of life must:

1. result from injuries received while performing the duties of the insured person's employment with the policyholder; and
2. occur within 180 days after the date of the covered injury.

Accidental Duty Death Benefits are not payable for loss of life as the result of:

1. suicide or attempted suicide, whether sane or insane;
2. war (declared or undeclared) or armed aggression;
3. intentionally self-inflicted injuries;
4. sickness, or any cause other than injuries;
5. an accident while you are traveling between your work station and your home, either as a pedestrian or in a private automobile, common carrier, car-pool or van-pool (whether private or State sponsored), UNLESS you are in official travel status.

DEFINITION

"Injuries" means accidental bodily injuries which result independently of sickness and all other causes.

(A heart attack would be considered a sickness and not an injury).

DEPENDENT INSURANCE

ELIGIBLE DEPENDENT

Only the following are eligible for dependent insurance:

1. Your lawful spouse;
2. Your children by birth, legal adoption, or legal guardianship who are between the ages of 14 days and 23 years, unmarried and dependent on you for support as defined by IRS regulations; and
3. Any other unmarried child between the ages of 14 days and 23 years who lives with you and is dependent on you for support as defined by IRS regulations.

When both parents of a child are insured under the policy as employees, the child can be insured only as a dependent of one parent.

No person will be considered a dependent while in the armed forces of any country (except for active duty of two weeks duration or less).

DEPENDENT NOT ELIGIBLE

The following are not eligible for dependent insurance:

1. your divorced spouse or any married child;
2. a child who has been legally adopted by another person, (insurance ends on the date custody is assumed by the adoptive parents);
3. anyone eligible for insurance under the policy as an employee or retiree; or
4. a child less than **14 days**, or who has attained the **limiting age**. The limiting age is the child's **23rd birthday**.

WHEN DEPENDENT INSURANCE BEGINS (Active Employees)

If you want to insure your eligible dependent, you must make a written request for dependent insurance. You must also agree to pay any necessary dependent contribution. If your Human Resources Office receives the signed written request to enroll your dependent on, before or within 31 days from the day you become employed, your dependent insurance will begin the same day your insurance begins.

If you waive coverage for your dependent during the first enrollment period, you may enroll your dependent only during any subsequent annual open enrollment.

If you do not have a dependent until after you are insured, your Human Resources Office must receive your written request to enroll your dependent no later than 31 days from the date you acquire the dependent.

RETIREES/PENSION RECIPIENTS

Dependent coverage is established at the time a person retires, i.e., if a person does not have dependent life insurance on the date of retirement, such coverage will not become available after retirement. If a pension recipient has dependent life insurance coverage on the date of retirement and a new dependent is subsequently acquired, the new dependent can be added within 31 days of the event, (marriage, birth). However, this provision does not apply to a new spouse or child of a widow or widower of a deceased State employee/retiree.

WHEN DEPENDENT INSURANCE ENDS

A dependent's insurance will end at midnight on the earliest of:

- (a) the day before a dependent is no longer eligible; in the case of divorce, the date of the divorce;
- (b) the day your dependent's contribution is due and unpaid;
- (c) the day the policy is discontinued;
- (d) the day before a dependent enters the Armed Forces on full-time active duty (except for active duty of two weeks' duration or less) or
- (e) the day your insurance ends; EXCEPT a dependent's life insurance may be continued after your death, subject to these conditions:
 - (1) The dependent must have been insured at the time of your death;
 - (2) Your spouse is eligible for State of Michigan retiree health, dental and vision insurance due to a survivor option having been selected at the time of retirement. Any children on the policy at the time of your death may also retain coverage if they continue to be dependent on your spouse for support and meet the other eligibility criteria;

- (3) A dependent child's coverage will end when he/she marries, reaches the limiting age or becomes insured under the policy as an employee; and,
- (4) The continued insurance will reduce to retired plan coverage for dependent.

INCAPACITATED CHILD

The insurance for a mentally or physically incapacitated child who attains the 19th birthday while insured under the policy may be continued if the child:

- (a) is chiefly dependent on you for support; and,
- (b) is not capable of self-sustaining employment.

The insurance will continue only if you provide proof of the child's incapacity:

- (a) no later than 31 days prior to the child attainment of his/her 19th birthday; and,
- (b) thereafter as may be required, but not more often than once every two years.

If your enrolled dependent is an incapacitated child, your coverage for this child will automatically continue at and beyond age 19 as long as he or she became incapacitated prior to age 19, continues to be incapacitated, and provided coverage does not terminate for any other reason. Your child will be considered incapacitated if he or she is unable to earn his or her own living because of a mental or physical impairment and he or she depends chiefly on you for support and maintenance. Contact your Human Resources Office or the Office of Retirement Services for additional information. You may be periodically asked for proof that your child remains incapacitated.

SPOUSE LIFE INSURANCE CONVERSION PRIVILEGE

If your spouse's group life insurance ends because of your death or because your employment ends, your spouse may apply for an individual policy of life insurance (called a conversion policy) without giving health information, subject to the following conditions.

1. Your spouse may apply for any of United's individual life insurance policies, except term insurance. Your spouse may **NOT** apply for any disability or supplementary benefits.
2. Your spouse may apply for an amount which is not more than the amount of terminated spouse group life insurance.
3. The premium for the conversion policy will be at United's standard rate for that type of policy, according to your spouse's age on the date the policy takes effect.
4. Your spouse must submit a written application and the first conversion premium to United within 31 days after his or her group life insurance ends.

POLICY PROVISIONS

1. **Entire Contract Changes:** The policy and any attachments is the entire contract of insurance. No agent may change it in any way. Only an officer of United's can approve a change. Any such change must be shown in the policy.
2. **Time Limit on Certain Defenses:** After two years from the date a person becomes covered under the policy we cannot use misstatements, except fraudulent misstatements in your or your dependent's application, to void coverage or deny a claim for loss that happens after the two-year period.
3. **Legal Actions:** You cannot bring a legal action to recover under the policy for at least 60 days after you have given United written proof of death. You cannot start a legal action more than three years after the date proof of loss is required.

PAYMENT OF CLAIMS

HOW TO FILE CLAIMS

Before benefits are paid, United must be given a written proof of death, as described below.

PROOF OF DEATH REQUIREMENTS

1. First, your beneficiary or representative must request a claim form from the Human Resources Office or the Office of Retirement Services. This request should be made as soon as reasonably possible. When received, a claim form for filing proof of death will be sent to the beneficiary.
2. The proof of death form must be returned to your Human Resource Office or the Office of Retirement Services as SOON as possible, but not later than one year after death.

WHEN CLAIMS ARE PAID

Policy benefits will be processed after receipt of acceptable proof of death.

Any payment made in good faith will fully discharge United to the extent of the payment.

EXAMINATION AND AUTOPSY

Where not prohibited by law, United may require and pay for an autopsy.

Group Policy Nos. GLG-5050 and GUG-J990



**Mutual of Omaha
Companies**

United of Omaha Life Insurance Company
Home Office: Omaha, Nebraska